

AMENDED IN ASSEMBLY APRIL 20, 2009

AMENDED IN ASSEMBLY MARCH 31, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 1304

Introduced by Assembly Member Saldana

February 27, 2009

An act to add Section 6357.3 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1304, as amended, Saldana. Sales and use taxes: exemption: electric cars.

The Sales and Use Tax Law imposes a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state, or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state.

This bill would exempt from those taxes the sale of, or the storage, use, or other consumption of, *electric vehicles*, electric vehicle batteries, electric vehicle infrastructure, and the labor and services rendered with respect to the *exchange*, installation, repair, alteration, or improvement of ~~those items~~ *electric vehicle batteries and electric vehicle infrastructure*, as provided.

The Bradley-Burns Uniform Local Sales and Use Tax Law authorizes counties and cities to impose local sales and use taxes in conformity with the Sales and Use Tax Law, and the Transactions and Use Tax Law authorizes districts, as specified, to impose transactions and use taxes in conformity with the Sales and Use Tax Law. *Amendments to*

the Sales and Use Tax Law are automatically incorporated into those laws.

This bill would specify that this exemption does not apply to local sales and use taxes or to transactions and use taxes.

This bill would take effect immediately as a tax levy, but its operative date would depend on its effective date.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 6357.3 is added to the Revenue and
2 Taxation Code, to read:
3 6357.3. (a) There are exempted from the taxes imposed by
4 this part the gross receipts from the sale of, and the storage, use,
5 or other consumption of *all of the following*:
6 (1) *Electric vehicles.*
7 ~~(1)~~
8 (2) Electric vehicle batteries.
9 ~~(2)~~
10 (3) Labor and services rendered with respect to *exchanging*,
11 installing, repairing, altering, or improving electric vehicle
12 batteries.
13 ~~(3)~~
14 (4) Labor and services rendered ~~in~~ *with* respect to installing,
15 constructing, repairing, or improving electric vehicle infrastructure.
16 ~~(4)~~
17 (5) Tangible personal property that will become a component
18 of electric vehicle infrastructure during the course of installing,
19 constructing, repairing, or improving electric vehicle infrastructure.
20 (b) For purposes of this section:
21 (1) “~~Battery-changing~~ *charging* station” means an electrical
22 component assembly or cluster of component assemblies designed
23 specifically to charge batteries within electric vehicles, which meet
24 or exceed any standards, codes, and regulations set forth by the
25 Society for Automotive Engineers, the National Electrical Code,
26 or any other federal, state, and local agencies.
27 (2) “Battery exchange station” means ~~a fully~~ *an* automated
28 facility that will enable an electric vehicle with a swappable battery
29 to enter a drive lane and exchange the depleted battery with a fully

1 charged battery through a ~~fully~~ *an* automated process, which meets
2 or exceeds any standards, codes, and regulations set forth by the
3 Society for Automotive Engineers, the National Electrical Code,
4 or any other federal, state, and local agencies.

5 (3) “Electric vehicle” means a passenger vehicle that uses
6 electricity as its sole source of propulsion power, including plug-in
7 electric vehicles and extended-range electric vehicles.

8 (4) “Electric vehicle infrastructure” means structures, machinery,
9 and equipment necessary to support an electric vehicle, including
10 battery ~~changing~~ *charging* stations, rapid charging stations, and
11 battery exchange stations.

12 (5) “Rapid charging station” means an industrial grade electrical
13 outlet *and associated equipment* that allows for faster recharging
14 of electric vehicle batteries through higher power levels, which
15 meets or exceeds any standards, codes, and regulations set forth
16 by the Society for Automotive Engineers, the National Electrical
17 Code, or any other federal, state, and local agencies.

18 (c) Notwithstanding any provision of the Bradley-Burns Uniform
19 Local Sales and Use Tax Law (Part 1.5 (commencing with Section
20 7200)) or the Transactions and Use Tax Law (Part 1.6
21 (commencing with Section 7251)), the exemption established by
22 this section does not apply with respect to any tax levied by a
23 county, city, or district pursuant to, or in accordance with, either
24 of those laws.

25 SEC. 2. This act provides for a tax levy within the meaning of
26 Article IV of the Constitution and shall go into immediate effect.
27 However, the provisions of this act shall become operative on the
28 first day of the first calendar quarter commencing more than 90
29 days after the effective date of this act.